
**Children & Family Services
Committee**

HB 2182

Brief Description: Prohibiting use of public assistance electronic debit cards for nonnecessities.

Sponsors: Representatives Orcutt, Hinkle, Holmquist, Tom, Strow, Talcott, Condotta and Ahern.

Brief Summary of Bill

- Prohibits the use of public assistance benefits through the Electronic Benefits Transfer system for any items other than the listed necessities.

Hearing Date: March 2, 2005.

Staff: Sonja Hallum (786-7092).

Background:

The federal welfare reform law of 1996 required all states to convert food stamp benefits from paper coupons to Electronic Benefit Transfer systems (EBT). The EBT system is an electronic system that allows a recipient of public assistance to authorize transfer of their benefits from their EBT account directly to a retailer to pay for products received or to an automatic teller machine if they receive benefits that permit them to receive cash.

In Washington, the EBT system is called QUEST. QUEST may be used for two different types of public assistance accounts: food stamps and cash assistance payment for low-income people. The funds are added into separate accounts on the card. A person who is receiving food stamp benefits may only purchase approved food items with the food stamp benefits on the card. The food stamp program has very strict requirements regarding what may and may not be purchased with food stamp benefits.

If the person is also receiving cash assistance, the person may purchase non-food items, or may receive cash at the point of sale or at an automatic teller machine. The only current restriction on the use of cash benefits is that they may not be used for various gambling activities.

Summary of Bill:

A person receiving public assistance is prohibited from using the EBT card, or cash obtained with the card, for any purpose other than to obtain necessities such as rent, transportation, child care, education, food, non-food hygiene, medical supplies or care, dental supplies or care, cleaning supplies, and clothing.

Appropriation: None.

Fiscal Note: Requested on February 22, 2005.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.